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UL 1963

Mr. James T. Kendall

Chief Counsel

Preparedness investigating Subcommittee
Committee on Armed Services
United States Senate
Washington 25, D.C.

Dear Mr. Kendall:

This is in response to your letter of 28 June 1963 requesting the latest information available with respect to subversive, revolutionary and agitational activities from Cuba to other Latin American countries. You also indicated your desire for information from the State Department in certain specified areas.

ILLEGIB

In response to your request, I am enclosing a paper on Cuban Subversion in Latin America Since February 1963 and another on Anti-US Violence In Venezuela. I am advised that you directed similar requests to the Secretary of Defense. In this connection, I should like to point out that the Defense Intelligence Agency and the Department of State have been consulted on various aspects of these reports and they reflect the coordinated views of the three agencies.

The paper which you requested on the flight of currency from Latin American countries to other world capitals is being prepared by the Department of State and will be forwarded to you directly by the Department. Agency representatives collaborated with the Department in the preparation of that material.

I trust that this material will meet your requirements.

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Sincerely,

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Lawrence R. Houston General Counsel

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25 July 1963

CUBAN SUBVERSION IN LATIN AMERICA SINCE FEBRUARY 1963

- 1. The Cuban subversive effort in Latin America is continuing and the basic premises outlined by Mr. McCone in his statement and testimony of 25 February to the Senate Preparedness Investigating Subcommittee, by General Carroll in his statement and testimony of 26 February to the House of Representatives Subcommittee on Inter-American Affairs, and Assistant Secretary Martin's testimony before the latter Subcommittee on 18 February and 6 March remain valid.
- A noticeable development in the Cuban effort since last February has been the muting of the direct exhortations to violence which Havana Radio had been beaming to other Latin American countries. This change has also been evident in the public speeches by Castro and other Cuban leaders on the subject of what they still call the "inevitable" Communist revolution in Latin Ameri-Although overall transmission time to Latin America by Havana Radio has increased since February, the content is less inflammatory. The radio has stopped broadcasting regular programs allegedly sponsored by Latin American exiles in Cuba to specific countries. Since last March, broadcasts to Guatemala, Peru, and the Dominican Republic have gone off the air. The only regular programs now aimed at particular countries are a Havana broadcast to Venezuela, which was increased to a daily basis last month. and to Haiti, in the Creole language. There is no evidence that the muting of Cuba's open call to arms represents any fundamental change in the Cuban goals.
- the shift in Cuban pronouncements away from direct incitements to revolutionary violence in Latin America has come as a result of Soviet advice. This would be consistent with indications that Castro during his recent trip to the Soviet Union was advised to concentrate on consolidating his revolution and to avoid public provocations that might bring counteraction against his regime.
- 4. The whole subject of Communist goals and tactics in Latin America was almost certainly a subject of dis-

cussion during Castro's visit, though details of any arrangements that may have been reached are presently unavailable. The joint Cuban-Soviet communique, issued near the end of Castro's visit, provides a hint that agreement had been reached that conditions in certain Latin American countries were considered such that peaceful methods offered more hope of Communist victory than violence. The communique states that "the question of a peaceful or non-peaceful road to socialism in one country or another will be answered in the final analysis by the struggling people themselves," in accordance with local conditions. There had been indications before the Moscow trip that the USSR was concerned over Cuban support of dissident Communist or non-Communist revolutionary groups in certain countries, notably in Brazil, over the opposition of the orthodox Communists whose strategy was to attempt to influence and eventually to dominate the government rather than overthrow it. Several Latin American Communist leaders may have participated in the discussions between Castro and Soviet three prominent South Amerileaders. can Communists were in the USSR at the time of Castro's visit and at least two of them met with Castro there.

5. The Soviet trip undoubtedly raised Castro's prestige among old-line Latin American Communist leaders in that the lavish treatment given Castro there must have indicated to them that Moscow had accepted Castro's leadership of the first Communist regime in the Western Hemisphere. There have been no reports since Castro's return from Moscow of opposition to him from any of Latin America's old-line Communists. Uruguay's Communist leader Rodney Arismendi, long regarded as Moscow-oriented and committed to the non-violent approach to power, had the following to say

return from the USSR where he had met Castro:

"We are an echo of the continental revolutionary movement which is bursting forth, fighting against imperialism, with its eyes on the victorious struggle of the Cuban revolution. We are a single force, the force of anti-imperialism in Latin America, whose heart beats in the Cuba of Fidel Castro."

- 6. Castro's current public line on the subject of Cuba's role in the revolutionary struggle elsewhere in Latin America was spelled out in an interview he gave a reporter of the leftist Mexican magazine Siempre shortly after his return from Moscow. Asked if he believed the "socialist camp" would support another Latin American country if it launched another revolution like Cuba's, he replied: "I have not the slightest doubt of that; people who decide to liberate themselves from the imperialist yoke will have, like we had, the help of the entire socialist camp." Castro went on to explain that the Soviet and Cuban parties "pursue a policy of complete support for the anti-imperialist movement of national liberation." Castro asserted that the joint Cuban-Soviet communique "reinforces" past Cuban statements on the coming Latin American revolution and "enhances the prestige of these statements in the eyes of the Latin American revolutionary movement." He added that the Latin American revolution is inevitable and "nothing and no one can prevent it from turning into authentic socialist revolutions." The "inflexible laws of history," he asserted, and not Cuba, are responsible for this. He then reiterated a statement he has made many times in the past and which was repeated in the joint Cuban-Soviet communique to the effect that "Communists consider that any export of revolution is contrary to Marxism-Leninism." Whatever Castro may mean by "export of revolution" it is clear from the evidence available that he continues covert support of subversive efforts.
- 7. Cuba's covert subversive effort in Latin America continues to include as one of its principal features the indoctrination and training in Cuba of hundreds of Latin Americans and their subsequent return to their homelands in as clandestine a manner as possible, to put into practice what they had learned and to recruit additional personnel. There are still no accurate figures on the numbers of Latin Americans who have gone to Cuba for training so far this year. Perhaps several hundred have done so. More are arriving under the guise of visitors to Cuba for the planned 26 of July celebrations.

These programs, which last year varied in length from

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several weeks to six months, included instruction on virtually all aspects of guerrilla warfare and included heavy doses of ideological indoctrination. many Latin Americans go to Cuba in the expectation of receiving a useful education but are then embroiled in ideological and paramilitary training. Many, if not most, of the guerrilla warfare trainees; however, go for that sole purpose. 8. groups from certain Latin American countries have received specific advice on which individuals and groups in their homelands would be useful for their purposes and specific advice aimed at particular targets in the countries concerned. the Cubans are developing extensive files on many if not all the other Latin American countries on subjects pertinent to the planning and development of further subversive activity. 9. Cuba continues to provide financial assistance to various subversive groups in Latin American countries. There is still no convincing evidence, however, of Cuba's supplying military equipment directly to these groups. In most of these countries military equipment can be obtained through illicit channels, as well as through direct attacks on military and police posts. Latin Americans in Cuba are to have been advised, for instance, that bank robberies are useful in obtaining The robbery of some \$7000 from the Bank of America in Nicaragua on 31 May was apparently carried

out by the principal group in that country to have

received Cuban training and assistance.

10. Cuban radio broadcasts, though less inflammatory than during the October to March period, continue to perform a direct service to Communist and pro-Communist efforts in Latin America by giving publicity to their actions and statements. The Cuban radio, for instance, continues to be one of the primary means by which the Venezuelan Communists' Armed Forces of National Liberation (FALN) obtains publicity in Venezuela and elsewhere for its many manifestoes and for the propaganda exploitation of its actions. This publicity is of significant psychological importance since a relatively small action group like the FALN measures the degree of its success to a large extent on its ability to create the impression of much greater strength than it actually possesses. Similarly, in the case of the small guerrilla groups which have operated sporadically in Guatemala, the publicity received through Cuban media has been one of their main assets.

| 11. Cuba has been faced in recent months with a |
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| growing problem in keeping open means of travel between |
| Cuba and the rest of Latin America, necessary for |
| continuation of its subversive training programs as |
| well as other relations it attempts to maintain with |
| the rest of the hemisphere. |

Cuba's response has been to route an increasingly large proportion of clandestine trainees via the much longer and more expensive commercial links through Europe

12. Cuba, not very successfully, is also seeking to further its goals in Latin America through various

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overt or partially overt international conferences and meetings. The "Congress of Solidarity with Cuba" held at Niteroi, Brazil, in March, largely failed as a propaganda effort. The Student Seminar on the Underdeveloped World, held in Bahia, Brazil, in July, also appears to have been unsuccessful. Preparatory meetings with Chilean, Bolivian, and other Latin American labor leaders in an effort to sponsor the formation a new inter-American labor organization to replace the CTAL as the Communist trade union vehicle in Latin America have not yet produced any concrete results. The Second Latin American Youth Congress, which was to have been held in Chile next month, had to be postponed after the organizers became increasingly aware of the difficulties likely to be encountered in that country.

13. A country-by-country rundown of the Cuban subversive effort in Latin America, attached as an annex to this paper, suggests that the total Cuban effort has continued at an undiminished rate during the past five months.

ANNEX

SUBJECT: Country-by country rundown on Cuban Subversion

| l. Argentina: / | 25X1 |
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| tends to indicate a cupan | |
| effort to win the cooperation of former Argentine | |
| dictator Peron and his movement for a coordinated effort | |
| to regain power in Argentina. There is no evidence that | |
| Peron himself has made any commitment or established any | |
| working moletionship with the Cubens | 2 = 1 (|
| working relationship with the Cubans. | 25X′ |
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| <u>Cuban propaganda</u> | |
| media gave every support possible to the Peronist | |
| effort to sabotage the 7 July national elections in | |
| Argentina. The working headquarters for the Cuban sub- | |
| versive effort against the Argentine government is in | |
| nearby Montevideo, Uruguay, where the Cuban embassy | |
| supports a small group of Argentine terrorists and | |
| Peronists dedicated to the use of armed action, including | |
| retonists dedicated to the use of almed action, including | |
| guerrilla warfare, to replace the present Argentine | |
| government. The Cuban embassy has been instrumental in | |
| recruiting and providing travel arrangements for Argen- | |
| tines sent to Cuba for training. | 25X1 |
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| 2. Bolivia: Evidence that Cuba regards Bolivia as | |
| a staging area from which to send trained subversives in- | |
| to mainth borning countries and a countries an | |

2. Bolivia: Evidence that Cuba regards Bolivia as a staging area from which to send trained subversives into neighboring countries was reinforced since late May by the arrest of a number of Peruvian subversives, some of whom had received training in Cuba. These Cuba-trained subversives apparently enter Bolivia from Brazil for an onward journey to Peru through the dense, unpatrolled jungle regions. Also, two Peruvians having Cuban funds and propaganda in their possession were found

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Cuban embassy financial support for the youth group of the governing MNR party. There are

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tentative indications that the Cuban embassy in Bolivia may be preparing to support and guide certain extremist political factions with a view to influencing the presidential elections in Bolivia scheduled for next vear.

3. Brazil: The appointment as Cuban ambassador to Brazil in April of Raul Roa Kouri, son of Cuba's foreign minister, is clear evidence of the importance Cuba attaches to Brazil in its over-all hemispheric planning. Roa proved an able and popular diplomat at his previous assignment in Prague and is

Fidel Castro's personal choice for the Rio post. The first six months of this year have been characterized by a continuation of the struggle for ascendency in obtaining Cuban recognition and assistance among several Brazilian Communist and pro-Communist groups. Chief among them are the orthodox Communist party headed by Luiz Carlos Prestes, that portion of the Peasant Leagues of northeast Brazil still led by Francisco Juliao, and the relatively small dissident Communist party which is ideologically allied with Communist China. 1962 Castro had shown his sympathy for Juliao and the dissident Communists, both of which favor the violent revolutionary approach to power, and had provided each with support. The support for Juliao's Peasant Leagues ended abruptly last December, however, after the eruption of dissension within the movement and the discovery of several training centers by the Brazilian authorities. In late February, Juliao and Prestes both traveled to Havana for talks with the Cuban leaders, and Prestes stopped off for talks in Moscow both on his way and his return from Cuba. On their return from Cuba, both Juliao and Prestes claimed to have won Castro's support--Prestes for a "peaceful" approach and Juliao for continued violence. Cuban support for Juliao is not known to have resumed, however, and, on balance, [

any compromise that may have been reached has favored Prestes and his Moscow-oriented party. The Castro regime has expended considerable effort and funds on activities designed to impress Brazilians with the achievements of Cuba under Castro. Cuban support goes regularly into various Cuban-Brazilian friendship and cultural societies established in all major Brazilian cities and such nation-wide organizations as the Society of Friends of Cuba and the National Committee Against Intervention in Cuba.

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British Guiana: The government of Premier Cheddi Jagan, which has internal autonomy in this British colony preparing for independence, is openly pro-Castro. the recently concluded lengthy general strike, Jagan's regime began requesting and receiving shipments of fuel and food from Cuba -- a practice which is continuing and which has served to increase both the government's control over the economy and its reliance on bloc supplies. ships, both Cuban and Soviet, carrying food and fuel to British Guiana and Guianese rice to Cuba provide a means of transportation between Cuba and the South American continent which could be used for the clandestine travel of subversives from other South American countries to

Cuba. four or

the five men arrested in Guiana in connection with a bombing attempt during the general strike are members of the youth branch of Jagan's political party who had been in Cuba.

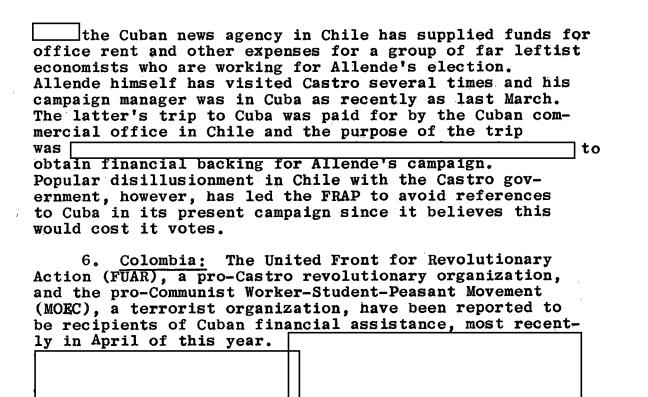
Chile: In Chile, the only Latin American country where there is a possibility of a Communistinfiltrated political group winning in legal elections. the Cuban effort is concentrating on support for the presidential campaign of Socialist Salvador Allende, candidate of the Communist-dominated Popular Action Front (FRAP). Events during the past three months adversely affecting the position of FRAP have lessened this possibility, however. Last month [

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7. Costa Rica; The Popular Vanguard party,
Costa Rica's Communist party, continues to maintain a
pro-Castro position and to send members for subversive
training in Cuba.

Since their return preparations have been made to set up training camps in Costa Rica with financial support from Cuba. These preparations appear to be directed more toward support of the subversive effort in neighboring countries than against the government of Costa Rica.

8. The Dominican Republic: Since February, a number of Dominican Communist and pro-Castro leaders have returned to the country from exile. Some are known to have received training in Cuba.

Ecuador: Prior to the recent military coup in Ecuador, this was one of the Latin American countries where Cuban-supported subversion appeared to be reaching a point of possible overt guerrilla action. Beginning in May, the Ecuadorean government made several arrests of Communists returning to Ecuador from Europe, the Sino-Soviet bloc, and Cuba. The arrest of one of them, Jose Maria Roura, a member of the Central Committee of the Ecuadorean Communist party, touched off a bitter internal struggle within the party resulting in a split. These divisions and the loss of funds intended to finance guerrilla activity forced the extreme left to postpone its plans to launch guerrilla action. The military junta has, since the 11 July coup, taken a very strong stand against Castro-Communists and has arrested several key leaders and others have gone into hiding. El Salvador: There has been little evidence of direct Cuban-supported subversion in El Salvador

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during the past six months. /

Tour barvadorans who went to cuba in rate april for the May Day celebrations were arrested on their return to El Salvador and are still being held.

Guatemala: There is strong evidence that Guatemalan Communists have continued during the past six months to receive material support and guidance from Cuba. Cuban propaganda media continue to provide the pro-Castro guerrillas, who continue to operate sporadically in Guatemala, with considerably publicity which, though exaggerated, is of some benefit to them. Pro-Communist former Guatemalan President Arbenz remains in exile in Cuba. The strong anti-subversive measures by the Peralta government and the recent capture by Guatemalan authorities of a number of top secret

Guatemalan Communist party documents and the arrest of individuals implicated by these documents has been an apparent important setback to the subversive efforts.

- 12. <u>Haiti</u>: There have been no indications during the past six months of direct Cuban-supported subversive efforts in Haiti. Havana continues its Creole-language broadcasts to Haiti, however, and a broadcast in May urged Haitian Communists to "follow the example of their Venezuelan comrades and taken an active role in the struggle against the government." They were urged to oppose any form of foreign intervention in Haiti.
- 13. Honduras: Pro-Castro activities in Honduras appear directed largely toward support of pro-Castro activity in neighboring Nicaragua and Guatemala. The government's attitude, the country's rugged terrain, the absence of an effective internal security force, and the presence of long-established routes for smuggling arms into neighboring countries make Honduras well suited for such a role. Most of the Hondurans who returned from Cuba in recent weeks had gone there for the May Day celebrations.

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15. Nicaragua: The Cuban-supported Nicaraguan revolutionary group, the National Liberation Front (FLN), is directed by a group of Nicaraguan Communists resident in Cuba. Help from Cuba has been in the form of training, financial assistance, and guidance. It is active in neighboring Honduras and Costa Rica as well as in Nicaragua, and Cuba-trained men are conducting guerrilla training programs. FLN activities in general appeared to be on the upswing during the past three months and were highlighted by the robbery of about \$7,000 from the Bank of America branch in Managua on 31 May.

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| the Cuban-supported a potential threat o it does not appear to government. | I some magni | tude, at t | he present | |
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intends to begin guerrilla activity in August after the inauguration of the new president on 28 July.

19. Uruguay: The greatest importance of Uruguay in the Cuban subversive effort in Latin America lies in its value as a place where Cubans and Cuban agents are relatively free to carry on subversive contacts with dissidents from neighboring countries, particularly Argentines and Paraguayans. The Cuban embassy in Monteyideo has been particularly useful in this respect

During the past six months, uruguay has also been useful to Cuba as a distribution point for Cuban propaganda. Several thousand copies of Cuba, printed in Uruguay by a local publisher and paid for by the Cuban embassy, are reportedly distributed fairly regularly.

20. Venezuela: The Betancourt administration continues to be Castro's primary target in Latin America. The armed Forces of National Liberation (FALN), a pro-Communist paramilitary group, continues to receive Cuban propaganda support. The FALN reportedly has radio connections with Cuba and the fact that the Cuban radio transmits news of FALN exploits very quickly after they occur would tend to substantiate this report. The FALN does not appear to be receiving any substantial material or financial assistance from Cuba at this time. It is now meeting these needs through its activities inside Venezuela. Sabotage and guerrilla activities by the FALN were stepped up during June.

Side, anti-Castro feeling among the general public in Venezuela remains high and the terrorist activities of Castro supporters have probably considerably damaged Castro's image. Also, the government of Venezuela has taken increasingly energetic measures in an effort to counter Communist insurgency. Special emphasis is being placed on the improvement of the Venezuelan law enforcement and security agencies.

25 July 1963

ANTI-US VIOLENCE IN VENEZUELA

- 1. The Venezuelan Communist Party (PCV) and an allied left-extremist group, the Movement of the Revolutionary Left (MIR), during the past two years have maintained a campaign of terror, sabotage and guerrilla activities against the Betancourt government. They have been forced to resort to these tactics because they enjoy little popular support and have lost their influential position in key sectors such as labor, public information and educa-In this campaign they are receiving the open encouragement of the Castro regime, which regards Venezuela as a prize target for the extension of Communism in this hemisphere.
- 2. Most of the sabotage and terrorism in Venezuela is being carried out by the Armed Forces of National Liberation (FALN), which was set up by PCV and the MIR during 1962 to bring all terrorist activities under a single national command. It is organized along military lines and includes former military officers among its members. The FALN's ideological incentive and leadership are derived primarily from the PCV and to a lesser extent the MIR, although elements from other groups opposed to the government are also active in the organization.
- Since the missile crisis last October the FALN has stepped up terrorist activities against American property and US official personnel. American-owned business installations which have been sabotaged during the past months include important gas and oil pipelines of the American oil companies, the Goodyear Tire Co., the U.S. Rubber Co., the Adams Chewing Gum Co., the main Sears warehouse and the American Chamber of Commerce offices. Damage resulting from this sabotage amounts to several million dollars. Recent incidents involving US officials include the forcible entry of the homes of US Embassy officers and the burning of the US Army Mission administrative building in Caracas.

On June 5 a well-armed group of terrorists raided the administrative office building of the US Army Mission. (See Annex for fuller description of this incident).

- Government efforts to halt the violence have been hampered principally by the lack of effective civilian police and intelligence services. An additional handicap is the parliamentary immunity which protects those key PCV and MIR leaders who are congressmen. In addition, many rank-and-file activists are students at the Central University in Caracas which is traditionally and by law outside police jurisdiction. The Betancourt administration lacks a majority in the Congress, which therefore is not inclined to remedy these handicaps.
- The Venezuelan government is moving to meet the terrorist threat on several fronts. Last summer it declared the PCV and MIR subversive and conspiratorial, and placed a ban on their activities. The executive has petitioned the Supreme Court to declare the PCV and MIR illegal, and has undertaken increasingly energetic security measures to counter Communist insurgency. The Venezuelan Congress is currently considering an emergency anti-violence bill proposed by President Betancourt to help meet the problem of violence and terrorism, but passage seems unlikely.

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However, it has been difficult for the Venezuelan security forces to pre-

ven the hit-and-run attacks because the terrorists have the advantage of choice of target, surprise and

concentration of forces.

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